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Westly Warns Against Fed Offshore Drilling Plans, Announces Vote to Oppose

SACRAMENTO -- Citing the potential for economic and environmental devastation, Controller Steve Westly today warned Rep. Richard Pombo to stop his efforts to end the ban on offshore oil drilling. Westly announced that the State Lands Commission will take action tomorrow on opposing any attempt to weaken the 24-year old ban, following the direction of Westly and Lieutenant Governor Cruz Bustamante.

“Our coastal communities contribute 86 percent of our economy, so oil drilling not only threatens beaches, it threatens the entire state,” Westly said. “Economic and environmental devastation would result from oil drilling off our coast. New drilling would not lower today’s outrageous gas prices.”

Westly today wrote to Rep. Pombo, who chairs the House of Representatives Committee on Natural Resources. The State Lands Commission will vote tomorrow on opposing federal efforts to lift the offshore oil-drilling ban.

The total market value of California’s ocean economy is more than \$40 billion, and 81 percent of the state’s jobs are located in coastal areas.

Please see the attached letter from Westly to Pombo.

-More-



STEVE WESTLY
California State Controller

October 19, 2005

The Honorable Richard Pombo
Chairman, Committee on Natural Resources
United States House of Representatives
1324 Longworth House Office Building
Washington, DC 90525-6201

Dear Chairman Pombo:

As California's Chief Financial Officer and member of the State Lands Commission, I strongly oppose any proposal that would weaken the 24-year bipartisan moratorium on drilling in the Outer Continental Shelf.

The vast majority of California's elected leaders and people are clearly opposed to any effort to open our State's coastline to oil drilling. Earlier this year, the California State Lands Commission urged President Bush and Congress to maintain the federal offshore oil and gas-leasing moratorium.

With total annual market revenues of \$42.9 billion, California has the largest ocean economy in the United States. California's coastal communities are central to the overall economy of our State. 86% of all State economic activities occur within these communities and 81% of all jobs are located there. The tourism and recreation sectors continue to dominate our State's job growth. Any expansion of offshore oil drilling would therefore threaten California's economic future.

You have pointed to the impact of Hurricanes Katrina and Rita on Gulf Coast production and refineries as a reason for lifting the ban on offshore oil drilling. However, opening our coasts to offshore oil drilling would have little, if any, effect on consumer prices today. The real lesson from the Gulf Coast hurricanes, and from rising gas prices, is that we must focus on long-term alternative energy sources that reduce our oil dependence.

I strongly support more public and private investments in renewable energy, including leading efforts to invest \$1 billion in clean technologies. Last year, I started the Global Warming Auto Watch to push U.S. auto manufacturers to produce cleaner cars. These are the kinds of alternatives we must pursue.

California has too much to lose if Congress opens our coasts to drilling. I urge you to shift your focus from offshore oil drilling to solutions that will truly address our country's long-term energy needs.

Sincerely yours,

STEVE WESTLY
California State Controller

cc: The Honorable Dianne Feinstein
The Honorable Barbara Boxer

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